

Company registration number: 03084746

Charity registration number: 1048645

# Landau Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020



# Landau

**changing lives** creating futures

## **Landau Limited**

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## **Landau Limited**

### **Reference and Administrative Details**

<b>Trustees</b>	M L Kite, Chairperson R D Langford H E Oliver M J Shields
<b>Chief Executive Officer</b>	S Roberts
<b>Principal Office</b>	5 Landau Court Tan Bank Wellington Telford TF1 1HE  The charity is incorporated in England & Wales.
<b>Company Registration Number</b>	03084746
<b>Charity Registration Number</b>	1048645
<b>Auditor</b>	CBSL Accountants Limited Chartered Accountants and Statutory Auditors Rowan House North 1 The Professional Quarter Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

## **Landau Limited**

### **Chairperson's Statement for the Year Ended 31 December 2020**

In 2020 we celebrated Landau's 25th anniversary. Due to COVID restrictions we marked the occasion through the production of our anniversary book, charting our journey and work through the stories of our service users. We were delighted to host a royal visit by HRH the Princess Royal, during a brief period between lockdowns. The Princess visited our construction training site and met our service users and partners.

Despite the strange operational environment we find ourselves in, it is pleasing that we have continued to deliver a surplus for 2020. The staff have done an outstanding job in continuing to deliver supported training and employment services throughout the pandemic by adjusting to new ways of working to accommodate social distancing measures.

Over the course of the past 12 months the organisation has grown and we now employ around 35% more staff compared to last year, to meet the growing demand for our services.

We are seeing an increase in young people needing support with social, emotional and poor mental health needs, which is driving more demand for our young people's services. Our online services are proving highly successful in supporting people with getting into employment. Landau is continuing to deliver employer-led training, equipping young people with the practical and social skills to enter the work place.

We face an uncertain future with climate change, COVID and world-wide economic uncertainty; one thing we can be sure of is that Landau will continue to be shaped by the needs of our service users.

*Marcelle Kite*

.....  
M L Kite  
Chairperson

## **Landau Limited**

### **Chief Executive Officer's Summary for the Year Ended 31 December 2020**

I am pleased to announce that, despite a challenging year, the organisation has achieved the ambitious milestones set out in our strategic plans for 2020. Our aim to keep our customers at the centre of our service and achieve customer satisfaction is paramount in sustaining the long-term impact of our work; this was realised with over 98% of participants more than satisfied with our service.

Our ambition to continue to meet and exceed the expectations of our customers, commissioners and other stakeholders is synonymous to delivering an excellent quality service. We have continued to drive excellence through work by gaining accreditation from the Centre of Mental Health for our IPS service by becoming a Centre of Excellence for supporting people with enduring mental health conditions into employment.

We have invested in our staff to ensure we maintain an exceptional workforce by supporting continuous development days for all staff, introducing peer mentoring support, an improved induction system and access to a range of online training and webinars.

We have expanded our partnership with more local organisations to help more people that are disadvantaged move into employment. This year we have supported over 1,800 people move forward with their lives.

We have not let COVID interrupt our work; we moved quickly to work safely, whilst continuing to support our service users' access to training and employment. We have not stopped working throughout the pandemic thanks to our robust business continuity plans.

Our actions throughout the year has enabled us to deliver another surplus, which we plan to invest in extending our training and enterprise offering in 2021.

I would like to thank all of our partners, suppliers and employees during the year for their continued support.

I would further like to thank all our funders for their continued commitment to the vision of Landau in changing lives and creating futures.



.....  
S Roberts  
Chief Executive Officer

## **Landau Limited**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2020.

#### **Structure, governance and management**

##### ***Nature of governing document***

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association on incorporation on 27 July 1995 and superseded by a set dated 30 April 2002.

##### ***Recruitment and appointment of trustees***

The subscribers of the Memorandum and Articles of Association and such other persons as shall be admitted to membership in accordance with the Articles shall be members of the company. The Board of Trustees has the power to appoint any persons to be a Trustee, subject to re-election at the next Annual General Meeting.

##### ***Arrangements for setting key management personnel remuneration***

The charity considers that its Trustees and senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give their time freely and no Trustee receives remuneration or expenses in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

##### ***Organisational structure***

The Chief Executive Officer oversees the operation of the charity, assisted by a small management team.

#### **Objectives and activities**

##### ***Objects and aims***

Landau is a supported employment and work related training organisation, providing one-to-one, individual support for vulnerable people.

Landau is committed to ensure that every person with a learning disability has the opportunity to work and fulfil their potential. It is our aim to provide individuals with high quality, tailored support to enable them to overcome the obstacles to fulfilling their potential in society.

##### ***Objectives, strategies and activities***

Our support programme provides the specialist, high levels of support people require to be able to flourish within the workplace. Our aim is to provide support with the aim of finding employment and/or a move towards independent living. The activity is designed around three key themes as well as providing ongoing support:

- Pre work activity
- Individual placement support
- Work placements / employment

##### ***Public benefit***

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## **Landau Limited**

### **Trustees' Report**

#### ***Grant making policies***

The charity has established its grant making policy to achieve its objects and this is reviewed annually to ensure that it continues to advance its public benefit purposes. The charity pay grants from its restricted BBO Shropshire, BBO Herefordshire and Construction Skills funds to its partners in the projects.

#### ***Fundraising disclosures***

The charity does not carry out significant fundraising activities with the general public and does not use a professional fundraiser or commercial participator to carry out fundraising.

#### **Financial review**

##### ***Policy on reserves***

Unrestricted funds total £703,923 (2019 - £632,745) which are held to cover the expenditure required for the coming year and the charity intends to build up those funds and maintain them at such a level. Restricted funds total £391,308 (2019 - £251,470) and a breakdown of these funds can be found in the notes to the Financial Statements.

##### ***Principal funding sources***

The charity would like to thank the following organisations for providing principal funding during the year:

The National Lottery Community Fund  
European Social Fund  
Lloyds Bank Foundation  
Construction Skills Fund  
2gether NHS Foundation Trust  
Royal British Legion  
The Community Fund for Staffordshire  
Education and Skills Funding Agency  
Telford and Wrekin Council  
Staffordshire County Council  
Stoke-on-Trent City Council  
Shropshire Council  
Derbyshire City Council

#### **Risk management**

##### ***Objectives and policies***

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

## **Landau Limited**

### **Trustees' Report**

#### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 20 October 2021 and signed on its behalf by:

*Marcelle Kite*

.....

M L Kite  
Trustee



## Landau Limited

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Landau Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 20 October 2021 and signed on its behalf by:

*Marcelle Kite*

.....  
M L Kite  
Trustee

## **Landau Limited**

### **Independent Auditor's Report to the Members of Landau Limited**

#### **Opinion**

We have audited the financial statements of Landau Limited (the 'charity') for the year ended 31 December 2020, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Landau Limited**

### **Independent Auditor's Report to the Members of Landau Limited**

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Chairperson's Statement and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chairperson's Statement and Trustees' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chairperson's Statement and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## **Landau Limited**

### **Independent Auditor's Report to the Members of Landau Limited**

- We obtained an understanding of the legal and regulatory frameworks that are applicable to this charity and its sector and determined that the most significant are those relating to the reporting framework and the relevant UK tax legislation.
  - We understood how the charity is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures.
  - As an audit engagement team, we assessed the susceptibility of the charity's financial statements to material misstatement including how fraud might occur and considered the opportunities and incentives that may exist within the charity for fraud. We considered the controls that the charity has established to address the risks identified to prevent, deter and detect fraud; and how the management and trustees monitor those controls.
  - Based on our understanding we designed our audit procedures to identify non-compliance with laws and regulations. Those procedures involved: - enquiries of management and those charged with governance; - journal entry testing; - assessing whether judgements in making accounting estimates are indicative of a potential bias; - review of financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and - evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
  - Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk or other risk of material misstatement. These procedures included revenue recognition and testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
  - We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*L Osselton*

.....  
Louise Osselton FCA (Senior Statutory Auditor)  
For and on behalf of CBSL Accountants Limited, Statutory Auditor

Rowan House North  
1 The Professional Quarter  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

20 October 2021

# Landau Limited

## Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations, legacies and grants	3	15,993	2,570,058	2,586,051
Charitable activities	4	1,346,156	-	1,346,156
Investment income	5	2,920	-	2,920
Other income	6	9,632	-	9,632
Total income		<u>1,374,701</u>	<u>2,570,058</u>	<u>3,944,759</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(1,180,480)</u>	<u>(2,553,263)</u>	<u>(3,733,743)</u>
Total expenditure		<u>(1,180,480)</u>	<u>(2,553,263)</u>	<u>(3,733,743)</u>
Net income		194,221	16,795	211,016
Transfers between funds		<u>(123,043)</u>	<u>123,043</u>	-
Net movement in funds		71,178	139,838	211,016
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>632,745</u>	<u>251,470</u>	<u>884,215</u>
Total funds carried forward	20	<u>703,923</u>	<u>391,308</u>	<u>1,095,231</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
<b>Income and Endowments from:</b>				
Donations, legacies and grants	3	10	2,803,554	2,803,564
Charitable activities	4	616,660	-	616,660
Investment income	5	2,994	-	2,994
Other income	6	8,100	-	8,100
Total income		<u>627,764</u>	<u>2,803,554</u>	<u>3,431,318</u>
<b>Expenditure on:</b>				
Charitable activities	7	<u>(564,574)</u>	<u>(2,661,920)</u>	<u>(3,226,494)</u>
Total expenditure		<u>(564,574)</u>	<u>(2,661,920)</u>	<u>(3,226,494)</u>
Net income		63,190	141,634	204,824
Transfers between funds		<u>102,278</u>	<u>(102,278)</u>	-
Net movement in funds		165,468	39,356	204,824
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>467,277</u>	<u>212,114</u>	<u>679,391</u>
Total funds carried forward	20	<u>632,745</u>	<u>251,470</u>	<u>884,215</u>

The notes on pages 15 to 29 form an integral part of these financial statements.

**Landau Limited**

**Statement of Financial Activities for the Year Ended 31 December 2020  
(Including Income and Expenditure Account and Statement of Total Recognised Gains  
and Losses)**

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 and 2019 is shown in note 20.

The notes on pages 15 to 29 form an integral part of these financial statements.

# Landau Limited

(Registration number: 03084746)  
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	15	365,793	370,514
<b>Current assets</b>			
Debtors	16	405,929	356,523
Cash at bank and in hand	17	719,295	521,473
		<u>1,125,224</u>	<u>877,996</u>
<b>Creditors: Amounts falling due within one year</b>	18	<u>(395,786)</u>	<u>(364,295)</u>
<b>Net current assets</b>		<u>729,438</u>	<u>513,701</u>
<b>Net assets</b>		<u>1,095,231</u>	<u>884,215</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	20	391,308	251,470
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>703,923</u>	<u>632,745</u>
<b>Total funds</b>	20	<u>1,095,231</u>	<u>884,215</u>

The financial statements on pages 11 to 29 were approved by the trustees, and authorised for issue on 20 October 2021 and signed on their behalf by:

*Marcelle Kite*

.....  
M L Kite  
Trustee

The notes on pages 15 to 29 form an integral part of these financial statements.

# Landau Limited

## Statement of Cash Flows for the Year Ended 31 December 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash income		211,016	204,824
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		4,721	4,406
Investment income	5	<u>(2,920)</u>	<u>(2,994)</u>
		212,817	206,236
<b>Working capital adjustments</b>			
Increase in debtors	16	(49,406)	(211,169)
Increase/(decrease) in creditors	18	98,835	(1,315)
(Decrease)/increase in deferred income		<u>(67,344)</u>	<u>62,452</u>
Net cash flows from operating activities		<u>194,902</u>	<u>56,204</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	2,920	2,994
Purchase of tangible fixed assets	15	<u>-</u>	<u>(5,343)</u>
Net cash flows from investing activities		<u>2,920</u>	<u>(2,349)</u>
Net increase in cash and cash equivalents		197,822	53,855
Cash and cash equivalents at 1 January		<u>521,473</u>	<u>467,618</u>
Cash and cash equivalents at 31 December		<u>719,295</u>	<u>521,473</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 29 form an integral part of these financial statements.



## **Landau Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

5 Landau Court  
Tan Bank  
Wellington  
Telford  
TF1 1HE

These financial statements were authorised for issue by the trustees on 20 October 2021.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

##### **Basis of preparation**

Landau Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

## **Landau Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Grants offered subject to certain conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

## **Landau Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more are initially recorded at cost.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold property	Not depreciated
Computer equipment	25% straight line

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Income from donations, legacies and grants

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies;				
Donations from individuals	-	-	-	10
Grants, including capital grants;				
Government grants	15,593	-	15,593	-
Grants from other charities	400	2,570,058	2,570,458	2,803,554
	<u>15,993</u>	<u>2,570,058</u>	<u>2,586,051</u>	<u>2,803,564</u>

Government grants receivable relates to grants claimed under the Government's Job Retention Scheme.

Grants received from other charities are analysed as follows:

	2020 £	2019 £
BBO Shropshire	1,055,705	1,296,966
BBO Herefordshire	724,030	888,536
ESF Community Grants	277,294	-
Construction Skills Fund (CSF)	224,201	443,924
Individual Placement and Support (IPS)	135,090	79,752
BBO Evolve	75,347	41,610
COVID-19 Emergency Fund	41,066	-
Royal British Legion	19,412	27,766
Staffordshire Expanding Opportunities Project	13,913	25,000
The Screwfix Foundation	4,000	-
Other grants - unrestricted	400	-
	<u>2,570,458</u>	<u>2,803,554</u>

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 4 Income from charitable activities

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Supported employment services	<u>1,346,156</u>	<u>1,346,156</u>	<u>616,660</u>

Supported employment services income is analysed as follows:

	Note	2020 £	2019 £
Supported employment services provided		1,339,166	605,331
Sale of goods / services made or provided by the beneficiaries of the charity		<u>6,990</u>	<u>11,329</u>
		<u>1,346,156</u>	<u>616,660</u>

### 5 Investment income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Interest receivable and similar income; Interest receivable on bank deposits	<u>2,920</u>	<u>2,920</u>	<u>2,994</u>

### 6 Other income

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Rental income	8,097	8,097	6,853
Other income	<u>1,535</u>	<u>1,535</u>	<u>1,247</u>
	<u>9,632</u>	<u>9,632</u>	<u>8,100</u>

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 7 Expenditure on charitable activities

		Unrestricted		Total	Total
	Note	General	Restricted	2020	2019
		£	£	£	£
Supported employment services		128,117	38,654	166,771	207,098
Depreciation, amortisation and other similar costs		4,721	-	4,721	4,406
Grant funding of activities	9	311,745	1,192,865	1,504,610	1,478,955
Staff costs		474,125	1,174,759	1,648,884	1,233,370
Allocated support costs	8	169,644	138,780	308,424	223,631
Governance costs	8	92,128	8,205	100,333	79,034
		<u>1,180,480</u>	<u>2,553,263</u>	<u>3,733,743</u>	<u>3,226,494</u>

£1,180,480 (2019 - £564,574) of the above expenditure was attributable to unrestricted funds and £2,553,263 (2019 - £2,661,920) to restricted funds.

The supported employment services cost is analysed as follows:

	Unrestricted funds	Restricted funds	Total	Total
	General	funds	2020	2019
	£	£	£	£
Delivery costs	8,778	1,110	9,888	11,545
Partner delivery costs	-	-	-	54,605
Subcontractor costs	76,523	7,969	84,492	51,074
Beneficiary costs	17,720	8,448	26,168	23,577
Cafe purchases	5,440	-	5,440	6,584
Staff training	3,162	462	3,624	6,194
Staff travel expenses	15,685	10,914	26,599	37,814
Volunteer training and expenses	809	-	809	911
Monitoring and evaluation costs	-	9,751	9,751	14,794
	<u>128,117</u>	<u>38,654</u>	<u>166,771</u>	<u>207,098</u>

In addition to the expenditure analysed above, there are also governance costs of £100,333 (2019 - £79,034) which relate directly to charitable activities. See note 8 for further details.

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 8 Analysis of governance and support costs

#### Charitable activities - analysis of allocated support costs

	Unrestricted		Total 2020	Total 2019
	General £	Restricted £	£	£
Rent, rates and water	18,318	34,141	52,459	30,598
Insurance	3,631	-	3,631	5,175
Telephone and internet	12,835	8,223	21,058	19,379
Other premises expenses	61,359	6,348	67,707	34,283
Equipment hire	6,728	4,613	11,341	12,352
Other office costs	20,404	4,894	25,298	26,975
Computer costs	10,730	60,735	71,465	48,782
Subscriptions and memberships	7,770	16,503	24,273	20,527
Marketing costs	13,270	3,131	16,401	10,005
Professional fees	3,296	192	3,488	14,802
Donations	150	-	150	-
Bank charges	953	-	953	685
Bad debt write off	10,200	-	10,200	68
	<u>169,644</u>	<u>138,780</u>	<u>308,424</u>	<u>223,631</u>

Support costs have been allocated consistently between charitable activities and governance based on management time.

#### Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Staff costs				
Wages and salaries	76,027	-	76,027	58,041
Social security costs	6,266	-	6,266	4,854
Pension costs	1,340	-	1,340	735
Audit fees				
Audit of the financial statements	3,300	-	3,300	3,300
Allocated support costs	<u>5,195</u>	<u>8,205</u>	<u>13,400</u>	<u>12,104</u>
	<u>92,128</u>	<u>8,205</u>	<u>100,333</u>	<u>79,034</u>

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

The allocated support cost is analysed as follows:

	Note	2020 £	2019 £
Other office costs		13,092	10,571
Legal and professional fees and HR costs		308	1,533
		<u>13,400</u>	<u>12,104</u>

## 9 Grant-making

### Analysis of grants

	Grants to institutions 2020 £	2019 £
<b>Analysis</b>		
BBO Shropshire	449,594	670,265
BBO Herefordshire	368,364	539,991
Construction Skills Fund	135,350	268,699
IN2 Programme	311,745	-
ESF Community Grants	239,557	-
	<u>1,504,610</u>	<u>1,478,955</u>

## 10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2020 £	2019 £
Operating leases - plant and machinery	11,340	12,352
Audit fees	3,300	3,300
Depreciation of fixed assets	<u>4,721</u>	<u>4,406</u>

## 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.



# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 12 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,574,996	1,182,959
Social security costs	130,205	98,909
Pension costs	27,316	15,132
	<u>1,732,517</u>	<u>1,297,000</u>
	2020 £	2019 £
<b>Note</b>		
Direct staff costs	903,669	660,605
Support staff costs, including governance	828,848	636,395
	<u>1,732,517</u>	<u>1,297,000</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2020 No	2019 No
Direct charitable work staff	54	31
Administrative staff	27	21
	<u>81</u>	<u>52</u>

The average number of full-time equivalent employees during the year was 61 (2019 - 33).

The number of employees whose emoluments fell within the following bands was:

	2020 No	2019 No
£70,001 - £80,000	<u>1</u>	<u>1</u>

### 13 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	<u>3,300</u>	<u>3,300</u>

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2020	361,317	18,886	380,203
At 31 December 2020	361,317	18,886	380,203
<b>Depreciation</b>			
At 1 January 2020	-	9,689	9,689
Charge for the year	-	4,721	4,721
At 31 December 2020	-	14,410	14,410
<b>Net book value</b>			
At 31 December 2020	361,317	4,476	365,793
At 31 December 2019	361,317	9,197	370,514

### 16 Debtors

	2020 £	2019 £
Trade debtors	35,836	34,584
Prepayments	25,089	-
Accrued income	345,004	320,948
Other debtors	-	991
	<u>405,929</u>	<u>356,523</u>

### 17 Cash and cash equivalents

	2020 £	2019 £
Cash on hand	768	1,229
Cash at bank	<u>718,527</u>	<u>520,244</u>
	<u>719,295</u>	<u>521,473</u>

## Landau Limited

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 18 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	53,926	18,840
Other creditors	2,683	3,718
Accruals	68,083	3,299
Deferred income	271,094	338,438
	<u>395,786</u>	<u>364,295</u>
	2020 £	2019 £
Deferred income at 1 January 2020	338,438	275,986
Resources deferred in the period	247,208	323,908
Amounts released from previous periods	<u>(314,552)</u>	<u>(261,456)</u>
Deferred income at year end	<u>271,094</u>	<u>338,438</u>

Deferred income relates to funds received for charitable activities to be undertaken during 2021.

#### 19 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £27,316 (2019 - £15,132).

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 20 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	632,745	1,374,701	(1,180,480)	(123,043)	703,923
<b>Restricted funds</b>					
BBO Shropshire	167,723	1,055,705	(986,025)	-	237,403
BBO Herefordshire	30,242	724,030	(682,583)	-	71,689
BBO Evolve	27,561	75,347	(70,715)	-	32,193
Construction Skills Fund	-	224,201	(338,425)	114,224	-
IPS	25,944	135,090	(128,924)	-	32,110
Staffordshire Expanding Opportunities	-	13,913	-	-	13,913
Royal British Legion	-	19,412	(21,525)	2,113	-
ESF Community Grants	-	277,294	(284,000)	6,706	-
COVID-19 Emergency Fund	-	41,066	(41,066)	-	-
The Screwfix Foundation	-	4,000	-	-	4,000
<b>Total restricted funds</b>	<u>251,470</u>	<u>2,570,058</u>	<u>(2,553,263)</u>	<u>123,043</u>	<u>391,308</u>
<b>Total funds</b>	<u>884,215</u>	<u>3,944,759</u>	<u>(3,733,743)</u>	<u>-</u>	<u>1,095,231</u>

**Landau Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

**20 Funds (continued)**

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	467,277	627,764	(564,574)	102,278	632,745
<b>Restricted</b>					
BBO Shropshire	164,452	1,296,966	(1,222,953)	(70,742)	167,723
BBO Herefordshire	22,877	888,536	(842,403)	(38,768)	30,242
BBO Evolve	24,785	41,610	(38,834)	-	27,561
Construction Skills Fund	-	443,924	(448,492)	4,568	-
IPS	-	79,752	(53,808)	-	25,944
Staffordshire Expanding Opportunities	-	25,000	(25,000)	-	-
Royal British Legion	-	27,766	(30,430)	2,664	-
<b>Total restricted funds</b>	<u>212,114</u>	<u>2,803,554</u>	<u>(2,661,920)</u>	<u>(102,278)</u>	<u>251,470</u>
<b>Total funds</b>	<u>679,391</u>	<u>3,431,318</u>	<u>(3,226,494)</u>	<u>-</u>	<u>884,215</u>

## **Landau Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

The specific purposes for which the funds are to be applied are as follows:

- BBO Shropshire - The Building Better Opportunities project brings together funding from the National Lottery Community Fund and the European Social Fund (ESF) to help tackle the poverty and social exclusion faced by the most disadvantaged people in England. The balance relates to the BBO Shropshire project and monies held for future spend and partner grant payments.
- BBO Herefordshire - The Building Better Opportunities project brings together funding from the National Lottery Community Fund and the European Social Fund (ESF) to help tackle the poverty and social exclusion faced by the most disadvantaged people in England. The balance relates to the BBO Herefordshire project and monies held for future spend and partner grant payments.
- BBO Evolve - The Building Opportunities project brings together funding from the National Lottery Community Fund and the European Social Fund (ESF) to help tackle the poverty and social exclusion faced by most disadvantaged people in England. This balance relates to the BBO Evolve project and monies held for future spend and partner grant payments.
- Construction Skills Fund (CSF) - This scheme aims to support innovative ways of training new entrants and retraining adults in construction for which public funding is not available. The Construction Skills Fund is provided by the Department for Education and administered and implemented by CITB.
- IPS - Individual Placement and Support (IPS) is a supported employment model which supports people with serious mental health problems into employment, based on a wealth of international evidence, following the principles of 'place and train'. The grant is provided by the 2gether NHS Foundation Trust and funded by NHS England.
- Staffordshire Expanding Opportunities Project - This is an extension to the grant received over three years from The Lloyds Bank Foundation to continue to fund the staff costs of the Expanding Opportunities project.
- The Royal British Legion - This is a grant received from the Royal British Legion to fund an IPS Employment Specialist post and the associated operating costs, in order to help Veterans with complex needs into employment.
- ESF Community Grants - This is a programme offering funding to small and voluntary organisations to help unemployed people advance towards employment, education and training. ESF Community Grants is funded by the European Social Fund, commissioned by the Education and Skills Funding Agency, and are being managed by Landau in The Marches to support the Marches LEP strategic priorities.
- COVID-19 Emergency fund - This was granted to make adaptations to facilities to enable service users to safely return to activities following the COVID-19 pandemic. It consists of two grants, one for the Shropshire area and one for the Staffordshire area. Both are funded by The Community Fund for Staffordshire.
- The Screwfix Foundation - this was granted to help install storage at our Newstead site and funding provided by The Screwfix Foundation.

# Landau Limited

## Notes to the Financial Statements for the Year Ended 31 December 2020

### 21 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2020 £
Tangible fixed assets	365,793	-	365,793
Current assets	523,440	601,784	1,125,224
Current liabilities	(185,310)	(210,476)	(395,786)
Total net assets	703,923	391,308	1,095,231
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2019 £
Tangible fixed assets	370,514	-	370,514
Current assets	287,818	590,178	877,996
Current liabilities	(25,857)	(338,438)	(364,295)
Total net assets	632,475	251,740	884,215

### 22 Analysis of net funds

	At 1 January 2020 £	Financing cash flows £	At 31 December 2020 £
Cash at bank and in hand	521,473	197,822	719,295
Net debt	521,473	197,822	719,295
	At 1 January 2019 £	Financing cash flows £	At 31 December 2019 £
Cash at bank and in hand	467,618	53,855	521,473
Net debt	467,618	53,855	521,473

### 23 Obligations under leases and hire purchase contracts

#### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

**Land and buildings** - at 31 December 2020 £26,000 was due within one year and £52,000 due between 1 and 5 years.